

Senate File 2082 - Introduced

SENATE FILE 2082

BY CHELGREN

A BILL FOR

1 An Act relating to temporary permits for displaying, offering
2 for sale, and negotiating sales of new motor vehicles at
3 fair events, the state fair, vehicle shows, and vehicle
4 exhibitions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 322.5, subsection 2, paragraph a,
2 subparagraph (2), Code 2018, is amended to read as follows:

3 (2) Display, offer for sale, and negotiate sales of new
4 motor vehicles at fair events, as defined in chapter 174, the
5 state fair, as discussed in chapter 173, vehicle shows, and
6 vehicle exhibitions, upon application for and receipt of a
7 temporary permit issued by the department. ~~Such activities~~
8 ~~may only be conducted at a fair event, the state fair, a~~
9 ~~vehicle show, or a vehicle exhibition, if the fair event,~~
10 ~~state fair, vehicle show, or vehicle exhibition is held in~~
11 ~~the motor vehicle dealer's community, as defined in section~~
12 ~~322A.1, for the vehicles that are displayed and offered for~~
13 ~~sale. The department shall not issue a temporary permit under~~
14 this subparagraph unless the applicant is a motor vehicle
15 dealer with its principal place of business in this state and,
16 if the applicant is a corporation, limited liability company,
17 limited liability partnership, or other entity, the applicant
18 is incorporated or formed in this state. A sale of a motor
19 vehicle by a motor vehicle dealer shall not be completed and an
20 agreement for the sale of a motor vehicle shall not be signed
21 at a fair event, the state fair, a vehicle show, or a vehicle
22 exhibition. All such sales shall be consummated at the motor
23 vehicle dealer's principal place of business.

24 EXPLANATION

25 The inclusion of this explanation does not constitute agreement with
26 the explanation's substance by the members of the general assembly.

27 Under current law, motor vehicle dealers are allowed to
28 display, offer for sale, and negotiate sales of new motor
29 vehicles at fair events, the state fair, vehicle shows, and
30 vehicle exhibitions, upon application for and receipt of a
31 temporary permit issued by the department of transportation
32 (DOT). However, such activities may only be conducted if the
33 fair event, state fair, vehicle show, or vehicle exhibition is
34 held in the motor vehicle dealer's community. In addition, a
35 sale of a motor vehicle by a motor vehicle dealer is prohibited

1 from being completed at a fair event, the state fair, a vehicle
2 show, or a vehicle exhibition, and all such sales must be
3 consummated at the motor vehicle dealer's principal place of
4 business.

5 This bill strikes the requirement that such activities may
6 only be conducted if the fair event, state fair, vehicle show,
7 or vehicle exhibition is held in the motor vehicle dealer's
8 community. In addition, the bill provides that a temporary
9 permit allowing such activities shall not be issued by the
10 DOT unless the applicant is a motor vehicle dealer with its
11 principal place of business in this state and, if the applicant
12 is a corporation, limited liability company, limited liability
13 partnership, or other entity, the applicant is incorporated or
14 formed in this state.